

Old Age, Disability, Death

First law: 1912.

Current laws: 1977, 1990, 1991, 1992.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 1,766 lei.

Coverage

Employed persons. Special systems for lawyers and handicraft cooperatives. Voluntary system for farmers.

Source of Funds

Insured person: None; 3% of earnings for voluntary pension (compulsory since 1985).

Employer: 15% to 35% of payroll, according to working conditions in industry. (25% for normal conditions).

Government: Any deficit.

Above employer and government contributions also finance cash sickness, maternity, work-injury benefits, and compensation for price increases in medicines.

Qualifying Conditions

Old-age pension: Age 60 (men) or 55 (women). 30 years (men) or 25 years (women) of employment. Age 62 (men) and 57 (women), if retirement initiated by enterprise. Lower requirements for arduous or dangerous work, and for women who have brought up at least 3 children.

Disability pension: Incapacity for all work (total disability) or for regular work (partial disability). 1-22 years (men) or 1-17 years (women) of employment, according to age when disabled. Partially disabled may work half time.

Survivor pension: Insured met pension requirements or was pensioner at death.

Old-Age Benefits

Old-age pension: 54% to 85% of reference wage, according to 3 work categories and wage levels ranging from 4,000 lei per month and above to 1,200 lei and below. Rates 5% or 10% higher for arduous or dangerous work.

Reference wage is average base earnings of best 5 consecutive of last 10 years.

Increment of 1% of earnings per year of employment beyond qualifying period (0.5% for each year exceeding 5).

Reduced pension according to percent of full qualifying period completed.

Minimum pension, 24,668 lei a month (for reduced pension, 19,210 lei).

Supplementary pension: 7%-16% of reference wage, depending on years of contribution (minimum if 5 years; maximum if 25).

Social assistance available if ineligible for pension.

Permanent Disability Benefits

Disability pension: 54%-85% of average earnings below 1,200 lei a month, plus descending percent of higher earnings, according to 3 work categories and length of employment.

Constant-attendance supplement: 2,557 lei a month.

Partial disability: 60% of total disability pension.

Reduced pension if at least half of qualifying period completed.

Survivor Benefits

Survivor pension: 1 survivor, 50% of pension paid or payable to insured; 2 survivors, 75% of pension of insured; 3 or more survivors, 100% of pension of insured.

Eligible survivors: Widow, widower, or parents of insured, if aged, disabled, or caring for child; children and brothers and sisters below age 16 (25 if student, no limit if disabled).

Funeral grant: 22,000 lei (18,250 lei for dependent).

(Social assistance available if ineligible for pension.)

Administrative Organization

Ministry of Labor and Social Protection, general supervision.

Local social insurance offices, administration of program.

Sickness and Maternity

First law: 1912.

Current laws: 1965, 1968, 1990, and 1992.

Type of program: Social insurance for cash benefits and universal system for medical care.

Coverage

Cash benefits: Employed persons and apprentices.

Medical care: Whole population.

Source of Funds

Insured person: None.

Employer: See pension contribution above.

Government: Same. Also, whole cost of medical care.

Qualifying Conditions

Cash and medical benefits: No minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 50% of earnings, or 65% if 2-5 years of continuous employment; 75% if 5-8 years; 85% if over 8 years or for certain illnesses, e.g. tuberculosis. (100% of earnings paid to persons injured in the 1989 Revolution.) Payable at half rate for first 3 days of incapacity, full rate from 4th day, until recovery or award of disability or old-age pension.

First 10 working days of sick leave paid by employer.

Maternity benefit: 50% of earnings, or 65% if 6-12 months of continuous employment; 85% if over 12 months. From 3rd child on, 94% regardless of work history. Payable for up to 52 days before and 60 days after confinement.

Maternity leave: 65% of earnings until child is one year old.

Workers' Medical Benefits

Medical benefits: Medical services provided directly to patients through facilities of public health service.

Includes general and specialist care, hospitalization, medicines, appliances, maternity care, transport, and other services.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for family head.

Administrative Organization

Ministry of Labor and Social Protection, general supervision.
Local social insurance offices, administration of program.
Medical services provided by doctors, clinics, and hospitals of Ministry of Health or of enterprises. Cash benefits paid directly by employing enterprise.

Work Injury

First law: 1912.
Current laws: 1965, 1966, 1968, 1990, 1991, and 1992.
Type of program: Social insurance system.

Coverage

Employed persons, students, apprentices, and military.

Source of Funds

Insured person: None.
Employer: See pension contribution above.
Government: Same. Also, whole cost of medical care.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.
See disability pension for disability criteria.

Temporary Disability Benefits

Temporary disability benefit: 100% of earnings (from 1st day of incapacity). Payable by employer until recovery or certification of permanent disability. In case of commuting accidents, employer pays first 10 days and state budget pays from 11th day.

Permanent Disability Benefits

Permanent disability pension: 85% of average earnings below base amount, plus descending percent of higher earnings.
Constant-attendance supplement: 6,464 lei a month.
Partial disability: 60% of pension for total incapacity.

Workers' Medical Benefits

Medical benefits: Same as for ordinary sickness above.

Survivor Benefits

Survivor pension: 1 survivor, 50% of pension paid or payable to insured; 2 survivors, 75% of pension of insured; 3 or more survivors, 100% of pension of insured.
Eligible survivors: Widow, widower, or parents, if aged, disabled, or caring for child; children or brothers and sisters under age 16 (25 if student, no limit if disabled).
Funeral grant: 70,000 lei (55,000 lei for dependent or if on social welfare).

Administrative Organization

Ministry of Labor and Social Protection, general supervision.

County Directorates of Labor and Social Protection, administration of program.
Temporary disability benefits paid directly by enterprises.

Unemployment

First law: 1991.
Current law: 1994.
Type of program: Social insurance system.

Coverage

Employed persons.
Job applicants newly discharged from the military, having reached 18, or newly graduated from school or university, who cannot find suitable employment.

Source of Funds

Insured person: 1% of earnings.
Employer: 5% of payroll.
Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Registered at local Labor Office. No income higher than half of indexed national minimum wage.
Owners of less than 2 hectares of agricultural land (4 hectares in mountainous areas) not entitled to retirement pension.

Unemployment Benefits

Unemployment benefit: For 1-5 years' employment: 50% of earnings, but not less than 75% of the indexed national minimum wage (percentages raised by 5% for work history of 5-15 years and additional 5% if more than 15 years).
For new job seekers having recently completed schooling: 60% of the indexed national minimum wage (70% for university graduates).
Unemployment benefit is paid for 270 days. Subsequently, an unemployment allowance of 18 months is payable at 60% of indexed national minimum wage.

Administrative Organization

Ministry of Labor and Social Protection, general supervision.
Local offices of labor and social protection, administration of program.

Family Allowances

First law: 1944.
Current laws: 1971, 1985, 1990, and 1993.
Type of program: Universal system.

Coverage

All children under age 16 (18 if totally disabled).

Source of Funds

Insured person: None.
Employer: None.
Government: Whole cost.

Qualifying Conditions

Family allowances: Child must be under age 16 (18 if totally disabled).

Family Allowance Benefits

Family allowances: 3,500 lei per month for each child (indexed).

Doubled for totally disabled child.

Birth grant: 1,500 lei.

Award to mothers with many children: 400 lei a month for 3-4 children, 600 lei a month for 5 or more.

Administrative Organization

Ministry of Labor and Social Protection, national administration of program. Schools, Payment of allowances for children over age 7.

Municipalities, payment of allowances for children under age 7 and for benefits to families with many children.

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